

OVERVIEW OF PLAN SPONSOR OPTIONS REQUIRING WAIVERS (revised 02-10-05)

Introduction: CMS has authority to waive or modify requirements that hinder the design of, the offering of, or the enrollment in, Part D arrangements sponsored by employers or unions for their retirees. This waiver authority can assist plans that provide coverage under the Medicare drug benefit (Part D plans) to design prescription drug benefits that are offered exclusively to plan sponsors for their retiree populations, as well as make it easier for plan sponsors to contract with, or become Prescription Drug Plans (PDPs) and Medicare Advantage plans that include prescription drugs (MA-PDs) in order to provide enhanced benefits to their retirees that supplement the Medicare standard prescription drug benefit.

Initial Waiver Guidance: CMS' initial waiver guidance deals with timing and entry requirements associated with retiree group Part D coverage. Additional waiver requests from specific plan sponsors will be addressed on a case-by-case basis as they are submitted. Once waivers have been granted, they will be available to all similarly situated employers or unions, thus maximizing the number of sponsors that will be able to benefit from the flexibility of the waiver process. This initial guidance is the first of several guidance documents to be released.

Anticipated Future Guidance: Further guidance detailing additional waivers will be released in the very near future.

For More Information: You can contact the Employer Policy & Operations Group (EPOG) at epog@cms.hhs.gov. To be notified by email about CMS news and activities of interest to employer and union plan sponsors, subscribe to the "CMS-EMPLOYER-PDBMA-L" listserv at <http://www.cms.hhs.gov/maillinglists/>.